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INTEGRATING HUMAN SETTLEMENTS POLICIES AND PROGRAMMES INTO NATIONAL SOCIO-ECONOMIC DEVELOPMENT PLANNING : FRAMEWORK AND METHODOLOGIES

Introduction

1. Earlier (1950s - early 1970s) development planning in African countries was essentially perceived and conceived as macro-economic planning. This perception placed overriding emphasis on the projection and maximization of national economic aggregates such as the GDP, the GNP, per capita income, level of employment, stability of price levels etc. as sole measures of economic development performance. This perception and approach to planning was dominantly "growth oriented" and except in so far as indirectly reflected on by level of employment and price levels, it could not be said to have been noticeably "welfare" or "man-oriented". It did not pay much attention to the quality of life aspects of individuals or communities. The result was that while the national economic aggregates (GDP, GNP, Per Capita Income etc.) could be shown to be high and increasing, they did not reflect commensurate improvements on the quality and level of living of the citizens. Thus, one of the greatest dangers of this earlier development policy approach was the tendency to give the more material aspects of growth an overriding and disproportionate emphasis, thus, forgetting the end in preoccupation with the means.

2. The macro-economic approach to development planning had been criticised extensively in policy, professional and popular literature over its weaknesses. This had led to the subsequent modification of the pure macro-economic approach into what could be regarded as the "Sectoral Planning Approach". This approach divides the national economy into sectors with development plans, programmes and projects for each sector separately prepared - sometimes without adequate considerations for intersectoral linkages and relationships. This approach too leads to avoidable and unnecessary duplications of efforts and resources, and creation of unnecessary conflicts which militate against optimum realisation of the overall plan objectives. Too much emphasis on sector-based planning, particularly the distinction between economic sector and social sector planning has also been criticized for its weaknesses and narrow perspectives.

3. It is now generally accepted that the distinction formerly often drawn between economic and social objectives of development planning is arbitrary and untenable, since each development objective has both an economic as well as a social aspect. Economic strategy and social improvements are two sides of the same coin.

4. As aptly noted by a UN document,

> "..... development is not just economic growth, it is growth plus change; change, in turn, is social and cultural as well as economic and qualitative as well as quantitative. It should no longer be necessary therefore to speak of "economic and social development" since development - as distinct from "growth", should automatically include both". 1/

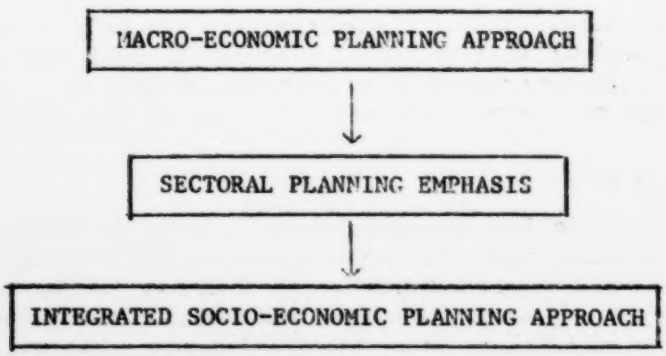
1/ The United Nations Development Decade (p. 2-3).

5. In the final analysis, all planning is "people-centred" in the sense that the population is the basis and beneficiary of all planning. Planning aims at the improvement of people's welfare and living conditions and the success of effectiveness of planning is best gauged by the degree to which it reflects these improvements on the people. The distinction usually suggested between economic and other sectors of planning has become largely irrelevant.

6. The increasing realization of the irrelevance of too strict adherence to uncoordinated sectoral perception and planning has led progressively to attempts to promote the integrated planning of all sectors of the economy. In this regard, it is fair to acknowledge that in most African countries today, attempts are being made to integrate other aspects of the society's development - including the Human Settlements aspects (earlier perceived in the narrow sense of Housing and Physical Planning), into the overall socio-economic planning process. In fact most African National Development Plan Documents no longer (as in earlier years) speak of "Economic Planning", but rather as "Plans for Economic, Social and Cultural Development" or as "National Socio-economic Development Plan". A review of the National Development Plans of fifteen (15) African countries, for example, showed that seven (7) of these countries emphasized "Intersectoral integration in planning and harmonious inter-regional development".2/ The rationale for integrated planning is based on the greater economy and efficiency which this approach could ensure and the comprehensiveness of its scope in considering the totality of human and society's developments.

7. The Development Plan approach in Africa could then be said to have evolved from its earlier macro-economic emphasis, through the sectoral approach, to the more recent attempts at an integrated socio-economic planning approach.

EVOLVING APPROACHES TO DEVELOPMENT PLANNING



8. The objective of this paper then is principally to discuss at what stage (when) in the planning process and how this integration could be more effectively pursued, particularly with respect to human settlements policies and programmes, with a view to more positive impacts on the objective problem.

2/ ECA (1984): Report on the Progress made in taking into account the objectives and directives of the Lagos Plan of Action in the National Development plans of the African countries (document E/ECA/PSD.3/13 of 16 January 1984 p. 6).

The Nature and Scope of Human Settlements Policies and Programmes

9. The nature and scope of human settlements policies and programmes as perceived by African countries vary among these countries. Chart I summarises the scope of the human settlements subject as reflected in the National Development Plans of the respective countries. In this respect, policies and programmes relating to physical structural developments and layouts, housing, as well as sewerage and drainage facilities constitute the main thrust of human settlement policies and programmes. But this categorization of scope of human settlements activities by National Development Plans is by no means exhaustive. There are various other activities which governments treat and invest in under other sectoral classifications which have direct human settlement bearing - in fact constitute aspects of human settlements development.

10. In effect, human settlements refers to those natural and man-made elements that constitute man's territorial habitat - where he lives, works, raises his family and seeks his other social, psychological, intellectual and other well-being. In concrete terms, human settlements can be said to consist of three broad categories of components, namely:

(i) the (physical) structure or layout (i.e. all that is involved in site development;

(ii) the shelter structure or housing, and

(iii) the services (e.g. water supply, electricity, health and sanitation facilities, educational facilities, transportation, etc.)

11. It is the more effective integration of the policies and programmes on these into national socio-economic planning that this paper seeks to explore.

12. Integration in the context of this discussion is broadly taken to mean coordination in which the planned activities in the different sectors (social and economic) are analysed and programmed in such a manner as to take the impact of the activities in one sector or other sectors into account, and thereby ensure necessary and relevant linkages, supports and complements among the sectors, with a view to minimizing economic and social externalities and improving efficiency of resources use and application.

Government's increasing realisation of the necessity for integrated planning

13. As noted earlier, most governments in the Africa region have recognized the need for integration of their national socio-economic planning. The goal of their planning is no longer a programmed growth of the GDP alone or increase in per capita income without regard to the distribution of that income. In addition to some macro-economic objectives and goals, some conditions of life objectives and goals are increasingly being emphasized in several of the national plans.

CHART I: SCOPE AND CONTENT OF THE HUMAN SETTLEMENT SUBJECT AS PERCEIVED (reflected in National Development Plan) BY AFRICAN GOVERNMENTS

Country	Physical planning & layout (site planning & development)	Surveys and mapping	Sewerage/ drainage and sanitation	Housing and housing finance	Land	Water supply	Community facilities
Algeria	x		x				x
Botswana	x						
Cameroon	x						
Cote d'Ivoire	x		x	x		x	x
Egypt			x	x			
Gabon	x	x	x	x			
Ghana	x			x			
Kenya				x			
Libya				x			
Mali	x	x	x	x			
Nigeria	x		x	x		x	
Senegal	x		x	x		x	x
Sierra Leone	x			x			
Sudan	x	x	x	x			
Tanzania							
Togo	x		x	x		x	
Tunisia				x			
Zambia	x		x	x		x	

Note: The above classifications were compiled from the respective National Development Plans. Some of the classifications are only approximate, as there were inevitable overlapping in the scope and content of the classifications.

14. Most National Development Plans of African countries examined, indicate that the general objective is that of bringing about an improvement in the living conditions of the people. A number of specific objectives are often woven around this goal. These often generally include, among others,

- increased productivity to ensure more rapid economic growth;
- increase in the real income of the average citizen;
- increase in foreign exchange earnings;
- more even distribution of income among individuals and socio-economic groups;
- reduction in the level of unemployment and underemployment;
- balanced development - that is the achievement of a balance in the development of the different sectors of the economy and the various geographical areas of the given country.

15. Sectoral priorities are usually on:

(i) Agricultural production and processing

(ii) Education and manpower development

(iii) Development of economic and social infrastructures (power, water supply, telecommuncations, transportation by all modes, etc.)

(iv) Housing and health.

16. As could be seen from the foregoing, both the general objectives and the specific objecgives of these development plans contain substantial human settlement concerns. The ingredients of effectively integrating human settlements policies and programmes into national socio-economic plans therefore exist.

17. Many African countries (as are most developing countries) are often confronted with the dilemma of investing more on "physical infrastructures" like transport, power, communications, etc., or on directly productive activities like agriculture, mining or manufacturing industries. Since basic infrastructures like roads and power are needed in almost every type of production, and their contribution to all the other sectors, including their contribution to human settlements development, this could provide one of the avenues for more effective inter-sectoral integration in planning.

18. The gap therefore between the macro-economics of national investments management and the macro-economics of individual component sectors can and have to be reconciled. This reconciliation is necessary for resolving questions of choice, of priority, of equity and interrelationships among sectors and their projects.

Existing framework and mode of national development plan preparation and integration

19. Planning and programming in their broadest sense take place at three levels:

(i) At the national level, where national investment plans are formulated, priorities among sectors are established, and the macro-economic framework of policies for economic growth is put in place;

(ii) At the sector level, where priorities for investment within each sector are determined;

(iii) At the project level, where individual projects are identified, prepared and implemented.

20. The existing framework of plan preparation in many African countries embody some degree of coordination among the sectors. How effevtively these arrangements work with respect to coordination and integration of the whole plan, is however an open question. Both the framework and the degree of the effectiveness in plan integration vary among the countries. Examples of these from a few countries would be instructive here.

21. In many of the countries, the Ministry of Economic Planning and/or Finance provides the focus and coordinates the National Development Planning process. In some other countries, the Office of the President or Head of Government provides this coordination sometimes with the assistance of a Planning Commission. Slight variations or combinations of these two broad frameworks exist throughout the Africa region.

22. In Cote d'Ivoire, for example, National Development Plan formulation comprises three stages:

(i) discussion with and among the relevant Ministries on the subject of the planned objectives and measures;

(ii) consultation with the country's elites through the National Planning Commission and Regional Development Commissions; and

(iii) adoption of the draft Plan by Parliament.

23. At the implementation stage, an Interministerial Planning Council is set up to "ensure that strategic decisions regarding the implementation of the plan are taken at the right time". This Council is presided over by the Minister of Planning and includes the Minister of Finance and the Economy, the Minister of the Budget and members of the Ministerial Departments concerned by the questions on the agenda at each meeting. The Interministerial Planning Council is therefore usually called upon to prepare decisions of a strategic nature that have to be submitted to the President of the Republic and presented to the Council of Ministers and to supervise their implementation. Plan coordination and integration is impliedly undertaken within the framework of the National Planning Commission and the Interministerial Planning Council.

24. The Sudan operates with a National Planning Organization, which lays down "national objectives" which have to be approved by the Central Committee of the Party. The operational technicalities and programmes are then worked out by a Central Planning Organization after wide discussions with relevant segments of the population. Inter-sectoral co-ordination and integration is presumably at the Central Planning Organization level.

25. In the Cameroon, National Development Plan preparation framework comprises two main structures - the political structure and the administrative structures. Within the political framework, the President (in-Council) lays down the main lines of the Nation's Planning Policy and Economic, Social and Cultural Development Policy and takes the major decisions in this connection. The President consults the Economic and Social Council, on the draft of the Plan. The National Assembly then debates and adopts the law to approve the Plan.

26. At the Administrative (Technical) structure level the preparation of the Plan is directed and coordinated by the Minister of Economic Affairs and Planning. The Minister is assisted in this by the Department of Planning which is responsible for the preparation of the Nation's Economic and Social and Cultural Development Plan and for Manpower Planning. Advisory bodies called National Planning Committees assist the Minister of Economic Affairs and Planning in making a critical analysis of the results, proposing guidelines, defining the objectives to be attained, choosing priority programmes to be carried out and defining the conditions of their implementation. Clearly, inter-sectoral co-ordination and integration in this context is done within the framework of the Ministry of Economic Affairs and Planning and the National Planning Committees.

27. In Botswana, National Development Plan preparation is coordinated by the Ministry of Finance and Development Planning, headed by the Vice-President. This Ministry has the primary responsibility for preparing national plans and for overseeing their implementation. Sectoral ministries are required to prepare their sections of the Plan and are usually given considerable latitude within general strategic and financial guidelines.

28. There is also an Economic Committee of the Cabinet, which includes all Ministers and Senior Officials. The Committee serves as a forum which enables all Ministers to be regularly briefed at the highest level on the performance of the economy and the implementation of the National Development Plan. The Committee receives quarterly reports on plan implementation which helps it to ensure that the priorities set out in the Plan are adhered to. With this function, this body could ensure a more effective integration of the Plan by the Ministry of Finance and Development Planning.

29. In Zambia, the Cabinet directs and oversees the National Development Plan at the policy level. The Development Planning Division - which constitutes the Central Planning Office, coordinates National Development Planning by issuing instructions and guidelines to sectoral ministries and by examining and ensuring the internal as well as the intersectoral and inter-regional coherence of all sectoral plans. The Planning Units of sectoral ministries are responsible for sector planning and plan implementation of their respective Ministries. They identify, evaluate and recommend projects significant for the fulfilment of planned targets. The Development Planning Division therefore provides the framework for sectoral integration of planning in Zambia.

30. Similar arrangements as in Zambia, are true of Nigeria, Kenya, Tanzania, Malawi, etc.

31. The foregoing is a representative sample of the framework and mode of National Development Plan preparation and implementation in most African countries. There may be slight variations in detail across countries.

Stage and framework for a more effective integration of human settlements policies and programmes into national socio-economic planning.

32. Attempts at integrating human settlement programmes into national socio-economic planning have been made in several countries in Africa. In some countries, this integration has involved trying to put together and reconcile programmes separately prepared by different sectoral ministries, with a view to removing duplications or resolving conflicts. For various reasons such approaches at intersectoral integration have not often been very effective. The ineffectiveness may derive from among others, the stage at which the integration is introduced or the framework on which it is planned and/or implemented.

(a) Stage of plan integration

33. Often times, attempts at integration are made only at the implementation stage and in an ad hoc, manner by having policies and programmes in one sector largely reacting or responding to the externalities created by activities and other developments in other sectors. A decision by the Ministry of Industry to site a plant in a given place may not have considered the human settlements implications of such a decision until such a plant begins to shape up, before human settlements programmes are drawn up for such a site. This is ever so often the case because many sectoral programmes do not decide on siting or location until long after the planning stage of the process. This causes a lot of distortion problems when the plans start to be implemented. Plans ought to internalise externalities rather than react to them in an ad hoc basis.

34. This problem naturally prompts the question "At what point in the planning process does or should integration of human settlements policies and programmes (or for that matter, any other sector policies and programmes) into the national socio-economic development planning begin?"

35. The planning process involves at least three broad but distinct stages:

(i) Establishment of the objectives, goals, and priorities of the plan, sometimes expressed in terms of targets for both the end of the plan and in the longer term. This stage usually takes place at the highest political levels.

(ii) Identification and preparation of sectoral programmes for implementation in order to achieve the objectives, goals and priorities defined in Stage I. This stage is done mainly at the Technical/Administrative level though with overseeing and review by the political level.

(iii) Implementation of the approved sectoral programmes and projects to achieve the objectives and goals (targets) of the Plan.

36. At which of these stages then should integration of human settlements policies and programmes really start? The answer to this question would seem obvious. The integration must be initiated and started at the highest policy levels where the objectives, goals and priorities of the National Socio-economic Development Plan are conceived and established, and it should be a continuous process. It is on the basis of the objectives goals and priorities that the programmes and projects to achieve them would be formulated So, unless the integration begins at this level, the programmes reflecting or taking care of the concerns of the human settlements sector (or any other sector for that matter) would not adequately reflect in the plan. Put in another way for human settlements concerns to be fully integrated into the National Socio-economic Plan therefore, the objectives and priorities of the Plan which are set at the highest policy levels of Government, must include human settlements objectives. Such objectives and priorities would include those reflecting improved conditions and levels of life and living - in terms of shelter, sanitation, circulation (transportation) etc.

37. With the objectives integrated at the initial and highest policy levels, the technical stage of identification and formulation of sectoral programmes and projects would more certainly include human settlements programmes and projects to achieve the set goals. The lead Ministry in national plan preparation in most African countries could be assumed to have been sufficiently sensitized by now to recognize and respect this process. During the implementation stage, the control and review process, which is also usually overseen at the highest policy levels would ensure that the objectives, goals and priorities set, including those relevant to human settlements concerns, are implemented with equal consistency and vigour.

38. It is also necessary for a fuller and more effective integration of human settlement programmes and projects into the National Socio-economic Plan for the LOCATION of the programmes and projects of other sectors of the Plan to be identified and agreed on as much as possible from the beginning of the Plan. Location of projects has multi-faceted human settlements implications and their identifications at the start of Plans would allow their impacts and implications to be fully assessed and provided for in human settlement programmes and projects. This also helps minimize distortions to the whole Plan. As was aptly noted in Nigeria's Second National Development Plan (1970 - 1974 p. 217), "it is when economic planning is cast in terms of its expected physical manifactations that the significance of a development programme becomes clearer and easier to appreciate in real life terms".

(b) Framework of plan implementation

39. It has been said that the effectiveness of inter-sectoral plan integration depends very much on the framework of the integration; that even when the different sectoral goals and objectives have been spelt out, coordinated at the highest policy levels and

the operational activities to bring this about are entrusted to one sectoral Ministry as a lead Ministry, that usually narrow professional or disciplinary perspectives inherent in such lead ministries lead to a distortion and ineffectiveness of the integration process. The implication of this then is that unless an adequate institutional framework or machinery exists for such integration, it would be operationally ineffective.

40. An earlier review of the existing framework in African countries shows that the adopted framework varied among countries, and involved three broad structures

- a key Ministry of Planning coordinating all sectoral plans;
- an Inter Ministerial Plan Coordinating Committee coordinating all sectoral plans;
- a Planning Commission, independent of any sectoral Ministry.

41. These forms are not and should not be seen to be as discrete as they appear for there is substantial organizational and operational overlaps among them. Each has its strengths and weaknesses. The framework of using a key Ministry (usually Ministry of Economic Planning or Ministry of Finance and Planning) as a framework for coordinating and integrating inter-sectoral planning, while organizationally and operationally neater, has been severely criticized on the grounds that the professional background, training and orientation of the bulk of the lead staff of these Ministries is such that their narrow disciplinary appreciation of issues usually make them unable to understand and appreciate objectives and goals that are not directly economically rational. The result is that the programmes of ministries with such objectives and goals receive very low priorities or get dropped altogether. Human settlements programmes and projects often come under this category. When National Development Plans are being prepared, for example, a certain rate of growth in the GDP per annum is usually set forth and it is assumed that all public investments should contribute towards this goal, but since human settlements programmes do not usually create exports or make large-scale substitutions for imports, there is often a tendency to de-prioritize its programmes. It is also argued that placing other sectors under one sectoral ministry does not afford other sectoral ministries sufficient opportunities to make adequate inputs into the final plan decisions or make cases for relevant items in their sectoral plans.

42. To minimize the problems inherent in the use of one single Ministry as lead Ministry for National Plan preparation and implementation, some countries have replaced this framework with an INTERMINISTERIAL PLAN COORDINATING COMMITTEE. Such Committee is usually composed of key officials from all the sectoral Ministries. Such a Committee is usually housed in the office of the Head of State or Government both for purposes of sufficient authority and to ensure that all sectoral Ministries have equal or near equal opportunities of putting across their views and programmes without undue constraints and inhibitions. The weight of the office of the head of state or government is also envisaged to advance what is considered to be to the national good rather than a sectoral interest. It is assumed that in such frameworks of free discussions each sector would see and appreciate how other sectoral plans affect its own and how its own sector affects or relates to others. This fuller appreciation leads to reconciling of conflicts and by advance anticipation of intersectoral impacts, the minimization of

inter-sectoral (negative) externalities is achieved. This framework has the potential of creating conditions for a balance between conflicting criteria, interests and objectives.

43. While this has seemed to be an improvement on the system of using a single sectoral Ministry as plan coordinating unit, it has had its own problems. It is operationally cumbersome and takes much more time to agree on issues.

44. A third framework is the creation and use of a PLANNING COMMISSION, which is independent of any Sectoral Ministry. Such a Commission is usually located in the Office of the Head of State or Government (Cabinet Office) for sufficient authority and inter-sectoral neutrality. It would be fully staffed with professionals from all disciplines and often headed by a full time chairman.

45. It is assumed that with such a planning set-up, a more sectorally independent appraisal would be made of the overall economy and the society and adequate provisions made for each sector. It is also argued that such a sectorally independent planning commission would be in a more dispassionate position to monitor, review and coordinate the implementation of an integrated national socio-economic plan than would a single sectoral ministry with vested interests of its own, or a fractitious Interministerial Coordinating Committee.

46. It has been pointed out however that such a Commission, having no sectoral ministerial base nor authoritative financial strings on the sectoral ministries cannot but remain advisory. In this situation, it may not be able to enforce its recommendations and some powerful ministries would have their way anyway.

47. As already noted most African countries already have adopted and experimented with one or the other or variants of these three set-ups, with varying degrees of effectiveness. It is difficult to recommend anyone as exclusively the best. It would depend on which one of the frameworks and approaches that a given country finds workable under its particular circumstances. After all, the effectiveness of any chosen approach may not depend solely on the framework per se, but also, and sometimes more significantly on the local political milieu and on the maturity of the people who operate that framework.

48. It would seem however, that for a more effective integration of human settlements policies and programmes into the National Socio-economic planning, human settlements objectives, goals and priorities should be reflected among the national plan objectives, goals and priorities at the highest policy levels. The chances of achieving integration of basic human settlements programmes in the national socio-economic plans will be brighter if they are the subject of specific programmes reflected in the national plan objectives, and the programmes should be regularly evaluated and monitored as they are implemented.

49. A framework of the structure or nature of an Interministerial Plan Coordinating Committee at which sectoral ministries would be free to discuss and review their plan programmes and how the implementation of their respective programmes affect and are affected by the programmes of other sectors would seem to hold better prospects for effective co-operation, coordination and integration of national plans. Potential conflicts are thereby identified, reconciled and removed. It should also be possible with this framework for sectoral ministries to identify the locations for the programmes and projects of their sectors, so that human settlements implications, requirements and impacts of such programmes or projects location could be adequately assessed, provided for and integrated into the human settlements programme. The productivity and effectiveness of development programmes may be mitigated unless they are accompanied by proper planning of locations and the use of space on which most of the economic and other activities will exist and function.

50. Whatever form or framework is adopted however, it is clear that there will always be the necessity for interministerial or intersectoral cooperation and co-ordination to ensure efficient and effective implementation in order to ensure the realisation of the objectives and goals of the overall national plan. In this process, continual interministerial consultations, discussions and good interministerial information flow is pivotal. Availability of a good and commonly understood and appreciated data base is also very important to achieve the envisaged integration.

Summary

51. By way of summary and recommendations, the following points could be re-emphasized.

(i) Human settlements really incorporates and encompasses almost the universe of human activities and needs, including the economic and social activities or sectors. After all, the distribution and settlement of population are closely linked with the broader field of socio-economic development and change with which they interact through mutual conditioning. Policies and programmes for human settlements development are therefore part and parcel of national socio-economic development.

(ii) Most countries in the (Africa) region have recognized the necessity for integrating human settlement policies and programmes, as well as the policies and programmes of other sectors into national socio-economic planning. Many national development plans now emphasize intersectoral integration of planning and harmonious inter-regional development. Varying arrangements or frameworks already exist in several African countries for effecting this integration or trying it out. The question now is largely that of how best to more effectively bring about this integration. Narrow inter-sectoral distinctions are gradually fading away, as the former distinctions made between economic and social objectives of development planning get increasingly blurred. Development automatically includes both objectives.

(iii) A variety of frameworks for national development planning and plan integration are being tried in various countries. These include, the use of one Coordinating Planning Ministry, an Interministerial Plan Coordinating Body, a National Planning Commission or variations and combinations of these. None of these is without its strengths and weaknesses. It would seem however that whichever framework is adopted, the important thing is to reflect human settlements policies and objectives as part of the objectives and priorities of the national socio-economic plan right from the start, and this should be done at the highest policy-making levels of the government. It is at this initial stage and level of objectives, goals and priorities setting that such integration should start if it is to be effective.

(iv) It would also seem that the framework suited for a more effective inter-sectoral integration of planning is that in the form of a collegial Interministerial/Intersectoral Plan Coordinating Body housed in the office of the head of state or government to command sufficient authority and minimize interministerial rivalries. Such a framework would best provide conditions for reaching an equitable balance between aggregate and sectoral plan objectives through analysing and examining more comprehensively, the broader implications of sectoral choices and policies and in the light of such evaluations reconciling conflicts and working out effective strategies.

(v) Integration of human settlements programmes into the national socio-economic planning would also be more effective, if the location or siting decisions of the projects of other sectors could be made at the beginning of the planning stage because of the implications of the impacts of such locations for human settlements programmes.

(vi) It is necessary, in the final analysis, that is evolving a suitable resource allocation strategy in national socio-economic planning, the decision-making authorities should ensure that the investments choices and priorities are not wholly governed by the immediate consideration of maximizing the output of goods and services, while economic analysis may still be crucial in elucidating costs of alternative decisions and providing data on which informed judgements could be based. Considerations like the maximization of human and social welfare through provision of adequate public services and amenities (water supplies, power supplies, transportation facilities and equipment, sanitation facilities and educational and health (facilities) should also be given due weight in investment programmes.

(vii) In mixed economies, it may be advantageous to combine the programming of public investment with indicative forecasting for the private sector. Emphasis should be placed on co-ordination and consultation - between departments of government as well as between government and the private sector. A flexible and responsive programming methodology is the key to public investment programmes and budgets. Governments

need therefore to develop the capacity to respond quickly to changing situations by modifying their policies and programmes as situations demand. In turn this will require a reliable data base and information flow as well as a high level co-ordination mechanism.

(viii) Inspite of the foregoing observations, countries may still find one framework or arrangement preferable to the others depending on the pecularities of their local situations, which includes political structures or systems. The best framework will therefore be predicated on the local political and administrative structure, and their socio-cultural milieu. But whatever framework is adopted for this integration exercise, the necessity for intersectoral (interministerial) coordination, cooperation and information flow cannot be over-emphasized, if the effective integration and implementation of the plan is to be achieved. There is need for continous interaction between technicains (especially the professional planners) and the people who have ultimate responsibility for political judgement - the politicians, if plans would be carried through to achieve their designated objectives.

(ix) In successfully undertaking the foregoing, there is need for further development and refinement of planning methodologies and techniques, so that all planners would understand the processes involved and appreciate how given decisions are reached.

(x) Closely related to the issue of methodologies and techniques is the necessity for all planners to develop a common language that is intelligible to planners of every disciplinary specialisation and sectoral occupation. This common language would comprise mainly of relevant statistical processes and statistical coefficients. The importance of this common language does not lie only in all planners knowing and understanding their face values, but also, and more importantly, in understanding what such statistics and statistical coefficients translate into and reflect in the actual life and living of the citizens for whom these plans are made. It is also necessary that this common language should exist among all planners so that they would assure themselves that they are talking of the same things when they discuss issues, and they are using the same measurements or indicators to evaluate progress or success of plan objectives and targets.

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PROGRAMMES FOR PROMOTING INSTITUTIONALIZED PUBLIC PARTICIPATION SYSTEMS IN HOUSING FOR LOW-INCOME GROUP IN AFRICA

I. INTRODUCTION

1. In the early 1950s, national co-operative societies in Africa concentrated on agricultural co-operatives for small planters and consumers of agricultural produce destined for local consumption as well as for export.

2. However, from the beginning of the mid-1950s, the concept of co-operatives extended to other sectors in order to respond to the urgent needs for capital investment, housing, and factor inputs for the production of durable goods.

3. Organizations and methods of self-help and the co-operative movement are not new to the African context. Indeed saving and mutual aid societies, which provide ready cash to society, have existed since time immemorial in Africa; they have provided labour, either for the construction of shelter or for agricultural works. However, those traditional co-operatives were essentially limited to local communities. The expansion of the economies and the needs for goods and services which were not available locally have created the need for the organization of new co-operative systems. These have been more complex than the traditional type of co-operatives and because of this complexity they have had to be given a legal context which makes them answerable to the legal system. Thus co-operatives for producers and consumers have been established.

4. Indeed, public participation could be described as an association of people working towards a common goal; those belonging to the association share the work and benefits involved in the realization of the objectives. Such an association is first of all responsible for the provision of services and not the benefits derived therefrom. All profits are considered incidental and are shared equitably among members of the association regardless of their respective contribution to the work carried out. The construction of housing could constitute one of these objectives.

5. At present, most African governments have institutionalized the co-operative system in the social housing construction sector in order to meet the increasing demand for shelter, particularly for the low-income group of the population.

6. Housing problems remain a major issue for African governments. These problems are compounded by population growth in urban areas which could be attributed partly to rural migration. The urban housing problem should be analysed in the context of rural/urban migration and its impact on the overall development process. The urban housing problem could only be resolved satisfactorily within the context of realistic policies and programmes of development for the rural hinterland.

7. The main objective of this study focuses on an analysis of the various factors which influence the availability of shelter. The study offers solutions which could improve current policies for housing the low-income group.

II. CURRENT HOUSING SITUATION IN AFRICA

8. The total population of Africa in 1980 was estimated at 469 million inhabitants which represents 10 per cent of world population. Population projections show that this population will double by the turn of the century.

9. The most important problem as evidenced in most African countries is the disproportionate concentration of urban population in a single metropolis which, in general, is also the capital. This situation shows that a large proportion of development occurs in a few restricted areas and emphasises the rural/urban imbalance. The rapid growth of urban centres in most African countries has in turn generated a huge demand for shelter which most countries cannot satisfy due to the prevailing economic situation.

10. Housing need estimates worked out by the United Nations for 1970-1980 from population growth and occupancy rate of 1.5 household per dwelling show that 8 to 10 new dwellings should be constructed for every 1000 inhabitants per annum whereas a United Nations survey shows that the housing construction rate in Africa amounts to 2 to 5 dwellings per annum, this shows a huge shortfall and explains the rate of overcrowding in Africa which is around 40 per cent and reaches 50 per cent in some countries. 1/ In 1980, the construction need for new dwellings amounted to 1.7 million units; 2/ while 3.2 million units should be built to cater for the homeless in urban centres. 3/

11. When the rate of construction needed during 1970-1980 is compared to the actual rate of construction, it is evident that most African countries are not in a position to meet the housing needs arising from population growth and the replacement of uninhabitable dwellings. In consequence, the housing shortage increases cumulatively every year as indicated in some African countries such as: Senegal 156,000 extra dwellings were needed to house the population in 1960-1970 increasing to 385,000 for 1970-1980 of which 277,000 were associated with population growth; similarly, in Ethiopia 889,000 for 1960-1970 increasing to 2.5 million in 1970-1980 of which 1.8 million were associated to population growth; in Nigeria 2.23 million in 1960-1970 increasing to 5.6 million in 1970-1980 of which 4.1 million were associated with population growth. 4/

12. A survey of 18 African countries revealed that the income of 25 to 30 per cent of the urban population is below the norm of urban poverty. 5/ According to a survey of slum areas in Kenya, 6/ the monthly income per household averaged $US 65 in Lusaka (George-town area) while in Nairobi (Kawangware area) it amounted to $US 74 compared with the norm for poverty for each area respectively which was $US 175 and 122.

1/ United Nations - ST/ESA/30 World Housing Survey

2/ Mansouri Zéroual, Rapport du séminaire sur l'amélioration de l'habitat urbain (CNUEH (Habitat) et IDE (Banque Mondiale), Abidjan 1980

3/ E/ECA/HUS/7, November 1980

4/ Op. cit. 1/

5/ Op. cit. 2/

6/ Op. cit. 3/

Table 1: African countries with the worst concentration of urban poor

Country	Number of urban poor (1,000)	Urban population in 1975 (1,000)
Nigeria	3,760 (1975)	12,000
Egypt	3,500 (1976)	16,000
Morocco	3,470 (1977)	6,500
Ethiopia	2,000 (1977)	3,000
Zaire	1,700 (1977)	8,500
Algeria	1,400 (1977)	8,500

Source: Mansouri, Z. 1980 Report of workshop on improvement of urban housing (workshop organized by UNCHS (HABITAT) and EDI (World Bank), Abidjan, 1980)

13. Many countries are aware that conventional methods of construction cannot produce sufficient dwellings to satisfy the express needs of their population, mainly because of the high cost involved in housing construction.

14. To meet housing needs, a number of political decisions become necessary. In addition to national policies on the allocation of resources to the housing sector, other measures with direct or indirect impact on this sector should be considered. Among others, one should consider: regional development plicies, fiscal policies, income distribution and industrial development policies. Along with these policy issues particular emphasis should be given to the promotion and development of co-operative systems, self-help and public participation in general, in an attempt to mitigate a housing crisis for the largest section of the community.

III. LOW-COST HOUSING AND URBAN PROBLEMS

15. The slum problem has been considered up to now as one which is essentially related to housing. Planners and administrators believed that slums would disappear with adequate provision of housing units. Yet, except in city states such as Singapore or island countries such as Hong-Kong, large scale housing programmes have not succeeded in eradicating slums. The weakness of this approach focusing essentially on the provision of housing lies in the fact that housing needs have outstripped supply in almost every country. While economists argue whether housing construction should be regarded as capital formation or as social expenditure, housing continues to be a heavy burden on public expenditures.

16. While member States try to solve the problems of slums through housing construction, it becomes evident that the supply of dwellings per se is not the most important component of housing policies. Indeed, residential land and its development in a way suitable for habitation may hold the key to the problem. In this endeavour, the World Bank has launched programmes of site and services in Senegal, Ghana, Indonesia and many other countries. Many countries are formulating urban plans and programmes which are more realistic and more recently, many member States have drawn up more realistic planning policies and programmes based on a better knowledge and understanding of the nature of slums as well as individuals' needs. Because of this, planners, instead of dreaming of breathtaking buildings equipped with lifts, are proposing sites on which the occupants without title to the land or on which slumdwellers would be allowed to build their own dwellings. Instead of vast networks of sewerage, a combination of septic tanks and a system

of rubbish collection is being tried. The distribution of drinking water through a piped system with one tap per dwelling is now considered as an impossible target in many developing countries. A more realistic approach is being adopted for land development, which is providing good results from a pragmetic point of view, whereby one tap is being provided for 5 to 10 families on average. The very basis of this approach rests on the fact that the people occupying slums are in a better position to determine their own needs. They can improve the services as their own material conditions get better and they have more money to spare. The home becomes an effective instrument in the process of their social integration, instead of appearing as a symbol of their deprived situation in society. Housing is more and more considered as a service and not as an object or a chattle to which one aspires to own regardless of such considerations as to what type of housing one really needs and can afford.

17. With the pressure of millions of people coming from rural areas, urbanization is no longer uniquely the concern of people living within municipal boundaries. They are concerned by both the rural and urban milieu. In this regard, it should be recalled that in the same way as the housing demand could be satisfied without building a single new dwelling (by concentrating mainly on site-and-service) it is now accepted that the solution to urban problems can be found in rural areas where small improvements in living conditions could stall or at least mitigate the rural exodus. The science of human settlements is replacing the conventional planning methods of rural areas. Outlines of urban settlements on a national or regional level are now included in strategic physical development plans of national planning. Physical planning methodology now extends over physical boundaries as well as over well established preserves of scientific disciplines. Specialists of social and engineering sciences (engineers, sociologists, transport specialists and urban anthropologists) are currently working in multidisciplinary teams for physical planning. This interdisciplinary approach ensures a better equilibrium in concept and, therefore, provides a co-ordinated and a more realistic approach to planning.

IV. THE ROLE OF HOUSING CONSTRUCTION ASSOCIATIONS IN NATIONAL HOUSING POLICIES

18. The majority of African countries are conscious that a less costly approach to the provision of housing to low-income groups could be realized through housing co-operatives and organization of self-help. Not all member States have written policies on housing co-operatives and self-help. However, the majority of countries have implicitly adopted this approach in their overall housing policies. It is reckoned that within the national policy framework a large share of the demand for housing could be met by self-help.

19. Self-help and mutual aid, which are extensively used, constitute another approach to the housing issue. With regard to the organization of self-help, the majority of member States rely on social services and community development. The social services organize courses destined to instill in participants the fundamental concepts of the techniques of self-help. A number of projects initiated by the United Nations Centre for Human Settlements (HABITAT) in Africa, including one for Senegal, has contributed to the popularization of self-help.

20. The main obstacles to the construction of housing earmarked for the low-income group are the limited financial means of this group of the population which has to purchase not only the land but also to provide for the purchase of the building materials and services such as site organization, supervision of works

and property management. These services could be supplied at cost for co-operative and self-help organizations. The target group can hardly afford these expenses and commands very limited attention. Failure of co-operatives and self-help organizations is attributed to two main factors: (i) inefficient control and internal management; (ii) inefficient planning.

V. PUBLIC PARTICIPATION IN THE FIELD OF HOUSING CONSTRUCTION

21. The concept of collective organizations and individual effort is as old in Africa as the existence of the community. It is still common practice in rural areas, but with increasing urbanization, this concept is losing ground in urban areas. It should be reinstated and, if need be, institutionalized as the instrument for resolving the housing problem for the low-income group. It is noteworthy that many African countries have started to actively encourage this approach as a means of social and economic development. Watchwords such as "Harambee" (call for collective effort) in Kenya, "Ujamaa" (conveying the spirit of brotherhood and solidarity) in Tanzania, "Humanism" in Zambia and 'Nafeer" (meaning collectivity) in Sudan translate perfectly the sensitivity to popular participation in nation building efforts. Self-help organizations benefit from government support to various degrees in some African countries, such as to name but a few, Egypt, Ethiopia, Cameroon, Ghana, Kenya, Lesotho, Morocco, Nigeria, Senegal, Tanzania, Zaire and Zambia.

22. It may be referred to as self-help or mutual aid but the concept of collective effort for construction prevails and the essential characteristic is collective and co-operative action even if the conventional principles set out by developed countries are not always adhered to. These principles could therefore be applied in any type of collective action, whether it be institutionalized in a co-operative society or not.

23. The system of public participation has the following principal objectives:

(i) to ensure, through the contribution of participants to housing construction, both maintenance as well as the collective care and management of the estate;

(ii) to offer to participants the possibility of contributing through their personal effort to the construction, betterment and maintenance of their respective dwellings.

24. The principal socio-economic objectives of this method are:

(i) to allow an integrated approach to housing construction as a service in the general interest of the community;

(ii) to spare the government, as much as possible, from the responsibility of financing housing construction in its entirety;

(iii) to mobilize the full potential of the population to promote initiative in collective actions, to encourage savings, to arouse the enterprising spirit as well as to reinforce self-confidence in the participants;

(iv) to contribute towards strengthening ties between families destined to live in the same area.

A. Socio-economic advantages and the educational values of public participation

25. The system of public participation in housing construction offers economic, social and educational advantages. From the economic stand point, the system utilizes the potential labour of the future owner occupiers which reduces the cost of labour and saves on the profit of the builder. These economic advantages could represent an important cost reduction on the total cost of the construction. Public participation, in addition to offering the government an opportunity to invest more in low-cost housing, increases capital formation at both the individual and national levels.

26. In so far as the social benefits are concerned, it is known that governments are unable to tackle the housing problems which have resulted in housing shortages which, in turn, have produced the extension of slums. This phenomenon is largely responsible for the breakdown in family units. Of course national development plans in all African countries are committed to housing the low-income group. Nonetheless, the means to execute such a programme remain limited. It is therefore essential to call on personal and collective efforts of those destined to benefit from this policy for its implementation. Besides their contribution to productivity, such programmes have a psychological and social impact since they make it possible for families with very modest means to accede to decent housing conditions. Because of such programmes these families find their place in the community and can be socially integrated.

27. This system also offers educational value because each participant benefits both as an individual and as a member of a freely constituted group; it opens new vistas for the constitution of new communities which are responsible for their own well-being. During the course of the construction, the participants acquire new skills and stimulated by the thought that the dwelling will belong to them they are incited to produce better work. The system of public participation also provides those with a moderate education with the opportunity to better their technical aptitudes in the construction sector. This practical training could open up new possibilities for employment since they would acquire sufficient know-how to accede to new job opportunities which in turn would improve their life style.

B. Types of public participation

28. There are essentially two types of public participation: total and partial public participation. These two types can be distinguished by the quantitative level of participation in community work. Whatever the form adopted, it contributes towards reducing the cost of housing construction.

(i) Total public participation

29. The simplest and most common type of total participation is the construction of a dwelling, by a family or a group, for its own use. The family gathers its building materials and equipment and builds the dwelling entirely from its own efforts. This is the case in traditional housing and complex skills are passed down from father to son.

30. Apart from the above-mentioned scenario there exists construction undertaken by a group. The neighbours and friends help to construct the dwelling with the understanding that the beneficiary will help construct their dwellings when their turn comes. In this case the family relies on others. Whatever the case may be it involves maximum effort on the beneficiary's part for the construction of his own house. The financial aspect is non-existent but human relations and the transport of materials are integral parts of the process.

(ii) Partial public participation

31. In view of the technical aspects of the construction, total public participation is not always possible. In this case, the labour involved consists of skill labourers, who are paid, and those working for themselves. The labourer who is not remunerated is attributed tasks of a general nature while the paid labourer performs specific tasks necessitating particular skills.

C. The Guiding Principles in the Institutionalization of Public Participation

32. Although public participation is a well-known system to which the community has called upon for its various type of social organization, it needs to be well defined if it is to be institutionalized at the national level. The check list hereunder gives an indication of decisions which need to be taken prior to embarking on such a programme:

(i) Social planning

- choice of location in function of its needs in housing capacity and its potential for collective organization;
- number of families and their income group;
- housing conditions;
- nature of infrastructures and public utilities and services;

(ii) Economic planning

choice of community, in function of available capital, labour, as well as the availability of building materials, equipment, salaried employment and transport facilities;

(iii) Physical planning

- choice of location
- determination of construction areas
- size of land plots
- plans for infrastructures, services and public utilities
- project layout
- dimensions and housing type
- building materials to be used

(iv) Organization of construction works

- labour required for construction team
- personnel employed
- construction techniques
- operational planning and evaluation

33. The two most important stages in housing construction by public participation are the selection of participating families and the organization of construction works. Two cadres are therefore required before work can begin: a specialist in community development to ensure homogeneity of the participating families and a clerk of works under the title of organization of construction work, who will be responsible for executing the works described in the schedule of works. Grouping the families ensures the economy of scale, the quality of the construction and the efficiency of construction works.

D. Comparative Analysis: Individual Self-help, Counterpart and Contractors 7/

	Individual self-help	Public participation in self-help and counterpart	Contractor
Time	The individual requires a great deal of time for completion of his dwelling if he is working part-time	Completion is quicker than in the case of individual self-help, but it still takes a great deal of time to complete all the dwellings for the group	Early completion date
Cost	Low construction costs since labour is supplied by the beneficiary	Lower cost per unit than individual self-help since the group provides labour and procures materials wholesale	Higher cost than for self-help since contractor will need to make a profit
Efficiency	Unless the beneficiary is himself a skilled worker or has followed intensive training he will have problems in satisfying the necessary quality control	Unless skilled workers are included or intensive training is provided the group will meet the same problem as the individual	The contractor could supply skilled workers while the group could supply manual workers, if need be
Supervision	The beneficiary has full control over construction: he can build what he likes, when and how he wants it (within limits imposed by the project)	The group controls the construction process, which needs cohesion, management skills, capacity to resolve problems etc...	Unless the beneficiary can supervise the works, the contractor will assume full control over the workers

7/ This table appears in UNCHS (HABITAT) publication No. HS/OP/83-16E titled " Community participation in the execution of low-income housing projects".

VI. PROBLEMS ENCOUNTERED DURING THE EXECUTION OF PUBLIC PARTICIPATION HOUSING CONSTRUCTION IN DEVELOPING COUNTRIES

34. The institutionalization of public participation, even if it represents a valid alternative for the solution of housing problems at the national level for the low-income group, still represents a stake for public authorities in their dealings with other economic partners. Conventional contractors, who are generally allocated housing contracts from the public sector, will find their field of operations limited and in consequence will try everything to ensure that the system of public participation fails.

35. The grouping of families could also constitute a problem. It should be left to families to group themselves by affinity to one another, by occupational grouping and not necessarily living in the same district. This issue of the composition of family groupings for housing associations has confronted the World Bank with very delicate problems in the design of housing layout in a number of African countries. Members should be united and mutually responsible and any default on the part of a member will adversely affect the success of the project.

36. The financial aspect, particularly the land guarantee and the availability of land plots are other problems which are often encountered in property development. The government should make land available for public participation programmes. Families are reticent in investing in quality construction if they are not given some guarantee of land tenure. The cost of land plots is high in urban areas and contributes appreciably to the costs of construction. The promotion of public participation in housing construction should rely on government making building land available to housing associations.

37. Availability of mortgages is another bottleneck. The conditions under which credit facilities are made available often constitute a stumbling block to property development. The high rate of interest and the collateral required by finance houses are beyond the means of the low-income group. It may happen that a group of families would wish to obtain a mortgage in order to complete their dwellings at an early date. The rate of interest in housing finance and housing societies in Africa varies from 5 per cent to 12 per cent depending on the countries, with a down payment varying from 5 per cent to 40 per cent of the loan. 8/ These conditions frequently exclude, except in some cases, the lower income group of the population from access to housing loans. To promote public participation, the government should facilitate access to housing loans as well as provide a grant in aid to subsidize family groupings.

38. Bureaucracy and technical assistance from the state should avoid being too pervasive. The low-income group struggles daily for survival. It therefore has very little time to spend on administrative procedures and lengthy meetings. Technical assistance should therefore take this constraint into account and plan accordingly.

39. The housing shortage constitutes one of the worst socio-economic problems of Africa today. In African society, housing for the low-income group has almost always been built by the head of the household with the help of parents, friends and neighbours. These dwellings were built with readily available local materials. It has become necessary to rationalize this approach with a

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8/ Don C.I. OKPALA: Housing Finance and the Financing of Housing in the African Region: A Survey and APPRAISAL, July 1985

view to meeting the needs for housing within the context of modern sociology. This implies the institutionalization of public participation.

40. Public participation in housing construction offers the following advantages:

(i) It motivates the population to participate in the search for solutions to the housing crisis;

(ii) It encourages savings while producing a feeling of self-reliance;

(iii) It helps in reducing construction costs;

(iv) As an association, it can provide guarantees for loans, which in general, the individual could not obtain;

(v) It encourages the adoption of norms and building codes in the housing sector;

(vi) By collective action, public participation could constitute an efficient way to plan housing construction for the low-income group.

41. The following recommendations could help in providing the basis for the promotion of public participation in housing construction for the low-income group:

A. At the national level

It should be realized that public participation in housing construction for the low-income group constitutes an essential component of national socio-economic development which in the final analysis is the responsibility of governments. In consequence, public participation implies that the community is partaking jointly with the state in the execution of a project.

(i) To motivate public participation in housing construction for the low-income group, by providing interested family groupings on associations with necessary facilities;

(ii) Provide family groupings with site and service building plots;

(iii) Provide family groupings with necessary technical assistance in the implementation of their projects;

(iv) Make credit facilities available at a discounted rate;

(v) Encourage the establishment of family groupings;

(vi) Formulate policies for the promotion of local building materials;

(vii) Revise codes and regulations for housing construction with due regard to the socio-economic context of the country and the preoccupation of the low-income group.

B. At the regional level

(i) The United Nations Economic Commission for Africa and the United Nations Centre for Human Settlements should proceed with a review of African experiences in public participation for housing construction for the low-income group in countries of the region. A consolidated report should be prepared and disseminated widely to all countries of the region;

(ii) The ECA and UNCHS (HABITAT) should organize workshops in every subregion of the African continent in order to assess the experiences in public participation for the construction of housing.

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AN INTEGRATED APPROACH TO THE EVALUATION OF CONSTRUCTION NEEDS OF THE AFRICAN REGION

SUMMARY

African countries have promoted construction activities in response to their perceived national economic and social needs since independence. However, more than twenty years after independence, the region has achieved little growth but has rather been trapped in a web of economic and social crisis - hunger, unemployment, stagnant industrial growth and a staggering foreign debt position.

ECA responded to the said position by assisting in the preparation of the Lagos Plan of Action (LPA) which emphasizes the development of key sectors of the region based upon collective self-reliance. Still five years after the LPA, little progress has been achieved. This failure has prompted the ECA (in collaboration with the OAU) to prepare Africa's Priority Programme for Economic Recovery (APPER).

It is in response to the above two programmes that the building construction needs of the region are appraised in this paper. It is noted that the primary function of the construction sector is to provide the infrastructure needs of all other sectors. However, the failure to recognize this pivotal role of the sector has led to the lack of integration, an absence of capacity evaluation and the inability of the construction sector to provide the infrastructure needs envisaged under the LPA.

The paper notes that unless the other major sectors such as agriculture, industry, transport and communication closely integrate their infrastructure needs within the activities of the construction sector, the projected growth rates envisaged under the LPA and the APPER cannot be attained. Finally, the paper identifies certain areas where assistance is required to improve the productivity of the sector in order to meet the infrastructure needs of the LPA and the APPER.

INTRODUCTION

The construction sector and the LPA

1. For individual African countries, an approach to evaluating construction needs is to examine the effective contribution of the sector to national economic and social development objectives. On the regional scale however, the only realistic approach would be to refer to the pivotal role that the construction sector would play in realizing the objectives of the LPA. By far, the LPA constitutes the most significant approach towards development objectives and strategies at the regional level, acceptable to all heads of State and Government of the ECA.

2. Partitioned into some 50 States - some of which are hardly economically viable entities, each member State has pursued an independent development objective, often reflecting piece-meal solutions to pressing problems of a particular period. Thus since independence in the 1960s, Africa can point to only little significant growth rate, or any satisfactory index of general well being.

3. It is in response to the above failure, that the LPA was prepared based primarily on collective self-reliance. Among others, its main emphasis were on the development of agriculture, industry, transport and communications. Although not specifically stated, none of the above sectors can take-off without a significant investment in basic infrastructure to be provided by the construction sector.

4. Under agriculture, the construction of appropriate storage, processing and similar other facilities will be essential to minimize post harvest losses and promote food security. On a broader basis, the development of irrigation channels, flood control, drainage, and physical infrastructures including dams, bridges, and feeder roads are among the immediate contributions that the construction sector can make to increase agricultural output.

5. The proposed scope of industrial development is no less relevant. Under the medium-term objectives of the Industrial Development Decade for Africa as embodied in the LPA, the production in sufficient quantities of building materials for the construction of urban and rural houses, was spelt out for the sector. And yet for the other areas of industrial activity, the construction sector has to provide, at least, factory buildings for all proposed industrial establishments.

6. In April 1980, African Heads of State accepted the Mar del Plata Action Plan which culminated in the United Nations General Assembly resolution 35/18 of November 1980, proclaiming the period 1981-1990 as the International Drinking Water Supply and Sanitation Decade. At the time of launching the Decade, it was estimated that as many as 414 million people in Africa will require access to good drinking water, while some 472 million should be provided with adequate sanitation. The success or failure of the Decade depends, to an appreciable extent, upon the performance of the construction sector.

7. The LPA also accepts the goals and objectives of the United Nations Transport and Communications Decade for Africa, phase one of which involves some 450 transport and 100 communications projects estimated at $8,342.19 thousand and $8,855.94 thousand respectively. Much of these involve construction.

8. Similarly, all other areas of development envisaged under the LPA will involve construction in one form or the other. So relevant is construction to all activities envisaged under the preliminary phase of the plan that the construction sector could be described as the backbone of the LPA. The major question which remains unanswered is how successful has the LPA been to date and how effective was the construction sector in achieving the said success or failure.

9. An OAU activity report on the implementation of the LPA and the Final Act of Lagos aptly answers the question as follows: "Five years after the adoption of the LPA, and the Final Act of Lagos, very little progress has been achieved in the implementation of the Plan and the ACT". The agricultural sector could not achieve the projected growth rate of 4 per cent p.a.; it was only 1.7 per cent against annual population growth of 2.8 per cent. Most industries operated under 50 per cent of their installed capacity, while others have had to close down. Poor infrastructure was identified as one of the major causes of failure. As a result, the region has continued to import both food grains and manufactured consumer goods under foreign loan agreements. No wonder then that the region's external debt is estimated to be about $170 billion by 1985. Three years after launching the decade for drinking water and sanitation, only 32 million people had access to good drinking water and 12 million were provided with adequate sanitation.

10. It is in response to the above failures that the APPER was prepared for the five year period ending 1990. Under APPER, the rehabilitation of the agricultural sector was given priority attention. What is interesting is that the same construction activities that were envisaged under the LPA, were noted as being crucial under the APPER also. In addition, the emphasis of the APPER on food and agriculture does not in any way understate the important roles that industry, transport, communication, water and sanitation have to play in the overall development of the region. Indeed, the chronic shortage of resources indicat. that co-ordinated actions in all the sectors supporting agricultural and other productions should be established.

11. It is in line with the above that the construction needs of the African region should be evaluated. Essentially, the construction sector should be considered in its proper perspective - not only as providing shelter for the region's populations but more important as providing the infrastructure for the take-off stage of the other sectors. While infrastructure needs for both the LPA and the APPER were well identified, their provision has neither been quantified nor linked with the construction capacity of the region. On the contrary, if it was assumed that the requisite technology, skills, equipment and machinery for providing the necessary infrastructures could be imported, then the planning process has sadly lost sight of the region's foreign debt position. The fact thus remains that the objectives of neither the LPA nor the APPER would be realized without a significant contribution from the construction sector.

12. There is no sector of the national economy which does not depend upon the construction sector for its development. Its scope covers the provision of roads, railways, harbours and airports for the movement of peoples and good; factory buildings for manufacturing industries; storage silos and irrigation channels for agriculture; drainage channels for foul water disposal, pipe lines for domestic and industrial water supply and shelter for human beings. Both the LPA and the APPER

have rightly identified the above needs which are pertinent for the take-off of the various sectors. However, further quantification of the needs to match construction capacities does not seem to have received equal attention. It is no wonder that the emphasis of implementation was on collective self-reliance. Unfortunately, it is at the very national and sub-regional levels that the necessary evaluation of implementation capacities had persistently been lacking. The question is whether Africa has the construction capacity to meet the infrastructure needs envisaged under the LPA and the APPER.

SCOPE OF THE CONSTRUCTION SECTOR

13. A major consideration for the success of both the LPA and the APPER is whether the identified infrastructure requirements would be provided within the planned period. The above consideration calls for an evaluation of the construction needs of the African region. The question is whether the construction sector of the region is well structured and sufficiently equipped to provide the required infrastructure. Such an evaluation should cover the organizational structure, construction technology, skills, productivity, and costs that currently characterize the construction industry of the region.

Characteristics

14. The construction industry of the African region demonstrates certain major characteristics which bear directly on the productivity of the sector, its capacity to meet the challenges envisaged in the LPA and the APPER as well as the critical economic crisis position of the region. Among others, the size of firms, foreign participation, import dependence, technology and skills are of importance.

Size of firms

15. Perhaps the most important characteristics of the construction sector of the African region is the predominance of small scale contractors (SC) who, by virtue of their equipment, skills and financial position cannot be considered suitable for implementing the types of infrastructure projects envisaged under both the LPA and the APPER. Usually equipped with one tipper truck and financial standing of about US$ 10,000, SC constitute not less than 50 per cent of all registered construction companies in the region. The said percentage composition is not unusual noting the fact that even in a highly industrialized country like the German Democratic Republic and also in a developing country like Brazil, about 60 per cent of all registered contractors are SC.

16. The problem with the African region is that while such firms would be very suitable for the provision of low-cost shelter for the majority of the region's population, their productivity and quality of work are low.

Foreign participation

17. Another important feature of the construction industry of the region is the significant participation of foreign firms. In Ghana, several foreign construction companies dominate civil engineering projects. In Zambia, almost 65 per cent of all registered contractors are foreign. Kenya represents a different picture where a large number of medium-sized Asian firms handle works ranging from minor maintenance jobs to multi-million dollar projects. And in Nigeria, the construction of the new Federal Capital, Abuja, is being undertaken by French firms, while another

foreign company has built houses estimated at $175 million at Harri.

18. Considering the critical economic position of the region and the fact that Africa's external debt is almost $170 billion, one wonders whether the use of foreign construction companies for the execution of even simple housing projects is worth the cost to the national economy.

Import dependence

19. It is not surprising (with the domination of foreign firms) therefore, that the construction sector depends heavily upon imported inputs - building materials, machinery, equipment and skills. At least in 1970, $1,275 millions worth of building materials were imported into the region; while in 1980, about $87,800,000 was spent to import some 2,195,000 tonnes of clinker into the West African subregion alone. The costs of imported iron/steel, machinery and equipment for the same sector are staggering. But while all the costs are noted for the construction sector, the fact remains that the items were used for all sectors of the economy and emphasizes the fact that without an adequate evaluation of the construction sector, the objectives of the LPA and the APPER would be realized at increased foreign debts.

Technology

20. It may be a mistake to generalize what could constitute an appropriate construction technology for the implementation of the variety of projects envisaged under the LPA and the APPER. Apart from low-cost shelter requirements for the region's population, most of the operation involve civil engineering undertakings. Unfortunately, it is exactly in the latter category that indigenous contractors are lacking.

21. The effect is that it has often been difficult to influence the type of construction technology applied to most civil engineering, road and special building projects (such as storage silos and factory buildings) that are particularly required for the take-off phases of the LPA and the APPER. However, one begins to wonder what the region is up to when governments award even simple housing projects to foreign firms.

22. Even for some capital intensive projects, it is observed that in some countries, the foreign firms depend extensively upon domestic resources. It would appear therefore, that a few indigenous construction firms could stand up to the challenge once they have adequate machinery and equipment.

Skills and productivity

23. However, difficulties in recruiting skilled labour for the construction sector exist in most countries of the region. This has reflected adversely on general productivity in the sector. It is noted that there is the tendency to employ - in absolute terms - a large number of workers per monetary unit invested. The construction sector thus registers one of the lowest levels of labour productivity in the African region. Particularly regarding low productivity, the following are among the numerous contributing factors:

- inadequate training and poor quality of work;
- the use of poor and obsolete machinery/equipment;
- poorly maintained plants;
- poor and inefficient supervision;
- frequent shortages of key construction materials;
- failure to apply management principles like proper site layout, material scheduling and control system;
- high incidence of material wastages;
- high degree of pilfering by workers.

24. It would appear from the above that it is not beyond the competence of local construction firms to increase productivity, since the above drawbacks could be readily remedied.

Construction costs and project completion

25. Another characteristics of the construction industry of the region which may affect the successful implementation of LPA and the APPER relates to the completion of projects on schedule as well as the resulting costs. It is noted that most projects are not completed on time and when they are eventually completed, cost overruns are enormous. In several African countries, there are large numbers of uncompleted projects while similar new ones are being initiated. If such practices are extended to projects envisaged under the LPA and the APPER, one would be sure of further failures in the future.

Informal sector operations

26. A final characteristics of the construction sector of the African region relates to the contribution made by informal operators. These include unregistered small scale builders who handle operations on part-time basis. It is an area where entry and exit are not restricted; they dominate shelter construction in rural areas, and in some countries such as Ethiopia, they account for the provision of low-cost shelter and waste disposal facilities in urban settlements. It may appear that from their contribution to date, the informal sector may be effective in meeting rural housing needs envisaged under the LPA although with some assitance to upgrade their performance.

Orientation to the objectives of the LPA and APPER

27. The foregoing overview of the construction sector of the African region enables some broad observations to be made with regards to the effectiveness of the sector in meeting the objectives of the LPA and the APPER:

- The preliminary phases of the LPA (as envisaged under agriculture, food, IDDA, Transport and Communications Decade, Drinking Water Supply and Sanitation Decade) cannot be implemented without a significant contribution from the construction sector;

- It appears that the implementation of programmes envisaged under the various "Decades" have been pursued on individual sector levels; under such conditions, the failure to provide the necessary infrastructure (by the construction sector) would constitute major bottlenecks to progress;

- The present composition of the construction industry implies that the sector would continue to be a main drain on scanty foreign exchange earnings of several African countries - noting the huge expenditures on material imports and profit repartriations;

- Small-scale contractors and informal operators are most likely to meet the region's low-cost shelter needs for the future.

28. From the above observations, what remains to be done is a meaningful orientation of the construction sector to the objectives of the LPA and the APPER. This implies an assessment of the region's construction capacity on the one hand and an obligation on the part of all other sectors to plan their programmes jointly with the construction sector.

29. The construction sector has a key role to play in achieving the objectives of the LPA and the APPER. The sector may require some restructuring to improve its productivity on the one hand, and a re-orientation to directly meet the requirements of the LPA and the APPER on the other. Unless these are done, the sector could constitute a major bottleneck to the region's aspirations for development. The following conclusions could therefore be made:

- Several civil engineering and special building projects envisaged under the LPA and the APPER could be implemented by foreign firms operating in the region but this would spell the increase in the foreign debt position of Africa. The solution may be for national governments to strengthen the financial, equipment, machinery and skills, position of local firms so that the latter could meet the construction needs;

- With existing low level of productivity, it may be difficult to complete most projects on time; delays and cost overruns should be expected. Efforts to improve productivity are urgently called for;

- Technology imports particularly through foreign construction companies seem to have had little impact on the performance of local firms. Immediate steps are needed to enable local firms to learn from the experiences of foreign firms;

- Small-scale contractors (and informal operators) could implement all of the region's low-cost shelter requirements. However, there is the need for governments to become clients to these firms.

PROSPECTS FOR INCREASING THE CONTRIBUTION OF THE CONSTRUCTION SECTOR TO THE LPA AND THE APPER

30. The LPA and the APPER are conscious efforts towards the development of the African region. However, the staggering external debt position of the region further emphasizes the need for collective self-reliance stressed in the LPA; the African region should therefore, rely more on its domestic construction capacity to provide the infrastructure requirements envisaged under the plan. Some areas through which the contribution from the construction sector could be increased are discussed hereunder.

Analyzing and co-ordinating sectoral requirements

31. Attempts at detailed and overly sophisticated forecasting of infrastructure needs have often proved ellusive because of inadequate data and limited understanding of how sectoral investments and outputs are linked. Analytical efforts should therefore concentrate on designing investment programmes in key infrastructure sectors and on checking the consistency of these programmes with the likely requirements of the productive sectors. Governments therefore need to be selective; they can effectively address only the most important public investment issues at any one time.

32. In order to achieve the above, emphasis should be placed on co-ordination and consultation - between government departments as well as between government and the private sector. Such co-ordination efforts would require some element of flexibility in programming methodology; with the existing resources position, no individual sector can expect to obtain all of its infrastructural requirements. Governments therefore need to develop the capacity to respond quickly to changing situations by modifying their policies and programmes. The construction sector would be effective in implementing a fewer number of well co-ordinated projects rather than a host of projects with inadequate resource allocation.

Overprogramming

33. Perhaps a word of caution at this juncture with regard to overprogramming could help to focus the attention of those involved in realistic programming. Care should be taken that investment-plans are not too ambitious, given the available resources. There is a widespread tendency to underestimate the cost of implementing specific infrastructure projects within a programming period. However, when too many projects are started at the same time, available skills are dispersed, project implementation is retarded, resulting into cost overruns and an increase in the number of uncompleted projects. Effective programming should always maintain a balance between the volume of projects, time constraints and construction capacity. New projects should not be started at the expense of inadequate funding for on-going projects. Given the incremental costs and benefits, projects already under way should have a high priority for funding, as should be the operation and maintenance of completed projects.

Technology and innovative design concepts

34. Another area which holds prospects for increasing the contribution to the LPA and the APPER relates to construction technology and innovative design concepts. Simply defined, construction technology involves the combined utilization of materials, equipment/tools and skills to produce a given good. Construction technology is quite flexible with regards to the production of several goods either through varying the capital - labour mix or substituting one material for another.

35. Usually, however, most designers in the African region have shown little innovation in their design concepts. For example, food storage silos need not be designed always in cement concrete or aluminium. There are comparatively cheaper and equally effective silos designed in wood; and yet despite the abundant wood resources of the region, only expensive designs utilizing concrete or aluminium are popular. Similar alternative designs and technologies abound in all areas of infrastructure provision.

36. In view of the external debt position of the region and the need for collective 'self-reliance', the contributions of the construction sector to the LPA and the APPER would be increased with innovations in design concept, and the application of the appropriate technology to utilize more of the region's natural resources.

Teaming-up with foreign companies

37. As noted earlier the prime grade categories of contractors in the region are foreign companies. Particularly for civil engineering, road and special building works, the advantages lie in the experience, machinery and supervisory skills that the foreign companies possess. An area to improve the productivity of local firms so that they could increase their contribution to the LPA and the APPER is to encourage teaming up of foreign and local companies. Steps in the latter direction have already been initiated in some countries, such as Ethiopia, Kenya and Ghana with very encouraging results.

Training and productivity

38. It was also mentioned earlier that the productivity of most of the local construction companies is low; not only is the output per man/hour low but also the quality of work sometimes leaves much to be desired. The observation is that most of the companies may require some form of training to be able to contribute effectively towards the realization of the objectives of the LPA and the APPER. In particular, most local contractors would require training in tendering, site management, accounting, materials scheduling and control systems.

39. The mere formation of a construction company is not enough to increase productivity. In most African countries, construction is regarded as business so that financial standing and equipment position are utilized to grade the company. The result is that trained personnel are usually hired by others who have no knowledge of the entire construction process. Frustrated by low wages, and poor relationships with owners of the company, site management and quality control are relaxed, the incidence of materials wastage increases and pilfering continues unquestioned. It is no wonder then that foreign firms operating in the African region often attract the most qualified skills. There is no way the construction sector can meet the challenges of the LPA and the APPER without increasing productivity. Training is inevitable to the latter.

Areas of public support

40. Finally, the construction sector could contribute to realizing the objectives of the LPA and the APPER if given adequate public support. Public support would be needed in the areas of finance, material distribution, plant pool, client to local firms and encouragement of mergers.

41. Finance constitutes one of the major inputs into construction operation. Its universal need to procure machinery, equipment, tools and trucks, to build workshops, purchase building materials and hire skills has restricted both entry into the sector as well as an upward movement of small scale operators to higher categories of contractor grades. The effect is that throughout the African region, the higher categories of the construction industry are dominated by foreign firms who had a favourable financial support from their home countries.

42. Although most governments have established construction banks, it should be pointed out that these banks do not possess unlimited supplies of loanable funds; also they are subjected to the same lending controls from central banks as relates to commercial banks. The result is that financial supply has never been adequate to the construction sector and this could constitute a major bottleneck to the implementation of infrastructure programmes envisaged under the LPA and the APPER.

43. Public support will be effective in circumventing the financial hurdles through:

- direct support for the procurement of machinery and plants;
- guaranteeing bank loans to limited sums in respect of specific LPA and APPER projects;
  reducing interest rates charged on construction loan;
- relaxing some of the monetary control policies of the central banks in as much as LPA and APPER projects are involved.

Distribution of materials

44. Building materials production and distribution facilities in the African region are invariably concentrated in a few major settlements. Particularly for the construction of infrastructure in support of food and agriculture, water, transport and communications, limited distribution facilities may not only tend to increase project costs but more so delay the timely completion of projects. The situation is aggravated in those African countries which experience frequent shortages of key building materials.

45. Public support would again be required in the procurement and effective distribution of essential building materials to serve construction needs of the LPA and the APPER. This may require the establishment of materials depots in various regions as against the present practice of concentrating in a few capital cities.

Plant pools

46. Another area where the public can provide an immediate support to the construction sector in order to be able to provide the infrastructure needs of the LPA and the APPER is in the establishment of plant pools. Construction machinery and plants constitute very expensive capital goods. In most countries there are several registered construction companies who own no operative plants and machinery. And even for firms which manage to acquire some, the equipments are usually underutilized for most parts of the year.

47. The combined effect of under utilization on one hand and shortage on the other, calls for an innovative approach to the procurement and utilization of construction machinery and plants. Public support is required to establish plant pools which could provide the needed machinery for common use.

Client to local firms

48. It was noted earlier that in some African countries, even simple building projects are awarded to foreign firms. Unfortunately the same governments are unable to provide foreign exchange to local contractors to import machinery - they would however afford to pay for work done in foreign currency. Public support may be necessary in this area also; the governments should award contracts under the LPA and APPER to local firms and make part payments in form of machinery and equipment if so required. Such supportive measures would be useful in improving the operational capacity of local firms.

Teaming-up

49. A final area of public support will be for governments to insist that for any contract to be awarded to a foreign firm under the LPA and APPER, a local firm should be involved. Such public support measures will serve, among others, three purposes:

- it will enable local firms to learn from the experiences of the foreign contractors;
- it will keep local firms in business as against the existing on-and-off nature of most construction operations; and
- it will reduce the amount of money that would be repartriated in profits by foreign firms.

50. The construction sector of the African region has all prospects to contribute to the success of LPA and the APPER. However, construction requirements under both programmes have been considered as any other infrastructure needs for individual sectors. It is necessary for African governments to realize that construction is a specialized sector and that operations become more complex when infrastructure projects such as roads, dams, silos and special buildings are involved. Failures should therefore, be expected when sectors specializing in completely different fields begin to contract civil engineering projects. It is therefore, necessary for African governments to institute certain measures that would increase the contribution of the construction sector to the LPA and the APPER. Some of these measures include:

- integrating infrastructure requirements of the various sectors with the overall construction programme of the country;
- innovative design concepts and appropriate technology should be introduced to minimize costs and increase productivity;
- governments should encourage teaming up of local and foreign construction companies;
- skills training should be given priority attention as a means to increase productivity;
- public support should be given to the construction sector in areas of finance, distribution of essential building materials and the establishment of plant pools. Governments should also act as client to local firms.

It is hoped that with the said measures, the construction sector of the region will be in the position to meet the construction needs of the LPA and the APPER.

OBSERVATIONS AND RECOMMENDATIONS

Observations

51. A close examination of the issues discussed points, among others, to four main factors which may require the attention of most governments in order to improve upon the performance of the construction sector in general, and its contribution to the LPA and the APPER in particular. These include the following:

. Most African countries have sufficient numbers of small scale construction companies which could provide all the shelter requirements of the regions. However, the poor equipments, financial and skills position of these companies have adversely affected their productivity.

- Even after independence, foreign construction companies continue to implement major infrastructure and special building projects in most countries. It is interesting to note that under most of these contracts, African governments approve part payments in foreign currency to enable the foreign firms to procure machinery and equipments for the projects; there is the other aspect that in most countries, most of the supervisory skills are locally recruited. The question therefore, remains why the same governments cannot offer similar supports to local firms.

- The construction sector of the African region largely depends upon imported machinery, equipments and building materials. At least for the latter, governments should examine sources of local substitutes in order to reduce imports.

- There is inadequate co-ordinations among the various sectors regarding the provision of infrastructure with the resultant duplication of projects. With inadequate resources, several new projects are initiated at the expense of on-going ones. This appears to be the major cause of cost overruns and numerous uncompleted projects known in several countries.

Recommendations

52. The following recommendations are therefore, provided for the consideration of African Governments:

- The provision of adequate infrastructure as entailed under the LPA would involve huge financial outlays. There is therefore, the need for effective co-ordination among the various sectors with the view to minimize duplication and establishing priorities. An inter-ministerial mechanism should therefore, be developed for purposes of effective co-ordination, the establishment of priorities and capacity evaluation.

- African governments should encourage local firms to gain from the experiences of foreign companies operating in their countries. Measures should therefore, be introduced to promote teaming-up of local firms with foreign ones to implement common projects.

- African governments should adopt supportive measures that could improve upon the productivity of local construction firms. Public support will be effective in areas of finance, materials distribution, establishment of plant pools, and also as client to local firms.